

STATE OF IOWA ex rel.
THOMAS J. MILLER,
ATTORNEY GENERAL OF IOWA
 99AG25112,

Y.

ADLI NAJIB DASUQI,
in his individual capacity and his corporate
capacity as President/CEO/owner of the
corporate defendant;

Equity No. CE

PETITION IN EQUITY

American Handicapped & Disadvantaged Workers, Inc. (“AHDW”), a for-profit company with offices in Arizona, California and Michigan, sells light bulbs, trash bags, and other household items to Iowans over the telephone. Although not a charity, AHDW motivates consumers to pay a premium for its products by emphasizing that the company provides employment to the handicapped and disadvantaged.

AHDW's sales pitches are liberally laced with lies and emotional manipulations, and are often directed at elderly Iowans. Telemarketers rely on exaggerations and outright falsehoods in laying out heart-rending, personal hard-luck stories involving terrible afflictions and dependent families, in asking or even begging Iowans to help. These deceptions are coupled with cynical appeals to friendship and shared religious faith as a means of overcoming sales resistance.

AHDW and Mr. Dasuqi (as a person controlling the operation) are responsible for the deceptive and unfair acts of AHDW's telephone solicitors; in fact, many of the misleading claims and manipulations are directly traceable to company scripts and training materials. AHDW appears to be completely unrestrained in its drive to profit by exploiting the natural sympathies of Iowans willing to help those in need, and it is currently unknown how many consumers have been victimized and how much money has been collected by AHDW through such conduct over the course of the almost twenty years that it has been in business. AHDW, and those responsible for its misconduct, should be barred from ever exploiting Iowans again.

PARTIES AND VENUE

1. Thomas J. Miller is the Attorney General of the State of Iowa, and is expressly authorized by Iowa Code § 714.16 (6) (2013) of the Consumer Fraud Act to bring this action on behalf of the State of Iowa.

2. American Handicapped & Disadvantaged Workers, Inc. is a for-profit California corporation with its principal office at 12601 N. Cave Creek Road, #113, Phoenix, Arizona 85078, and with sales offices in Pontiac, Dearborn, and Center Line, Michigan, and in Hawthorne, California. In 2009, the most recent year for which such nationwide sales data is

currently available to Plaintiff, AHDW reported total gross sales of \$1,886,873.00. More recently, AHDW reported \$27,941.70 in gross sales in Iowa between January 1, 2012 and May 28, 2013.

3. Adli Najib Dasuqi of Waterford, Michigan is the President, CEO, and sole owner of AHDW. In 2008 through 2010, the only years for which such information is currently available to Plaintiff, Mr. Dasuqi reported having received a total of \$780,977 from AHDW, in salary (\$159,550) and distributions (\$621,427).

4. Venue is proper in Polk County pursuant to Iowa Code § 714.16 (10), as Defendants have done business in Polk County, one or more victims of the conduct at issue reside in Polk County, and the specific telephone solicitations described below were received in Polk County.

JURISDICTION

5. The Iowa Consumer Fraud Act, Iowa Code § 714.16 (2)(a) ("the Consumer Fraud Act") provides in pertinent part:

The act, use or employment by a person of an unfair practice, deception, fraud, false pretense, false promise, or misrepresentation, or the concealment, suppression or omission of a material fact with intent that others rely upon the concealment, suppression, or omission, in connection with the lease, sale, or advertisement of any merchandise or the solicitation of contributions for charitable purposes, whether or not a person has in fact been misled, deceived, or damaged, is an unlawful practice.

6. Iowa Code § 714.16 (1) provides the following definitions:

(f) "Deception" means an act or practice which has the tendency or capacity to mislead a substantial number of consumers as to a material fact or facts.

(n) "Unfair practice" means an act or practice which causes substantial, unavoidable injury to consumers that is not outweighed by any consumer or competitive benefits which the practice produces.

7. Iowa Code § 714.16 (7) provides, in pertinent part:

Except in an action for the concealment, suppression, or omission of a material fact with intent that others rely upon it, it is not necessary in an action for reimbursement or an injunction, to allege or to prove reliance, damages, intent to deceive, or that the person who engaged in an unlawful act had knowledge of the falsity of the claim or ignorance of the truth.

8. In describing remedies under the Consumer Fraud Act, Iowa Code § 714.16 (7)

provides in pertinent part as follows:

If it appears to the attorney general that a person has engaged in, is engaging in, or is about to engage in a practice declared to be unlawful by this section, the attorney general may seek and obtain in an action in a district court a temporary restraining order, preliminary injunction, or permanent injunction prohibiting the person from continuing the practice or engaging in the practice or doing an act in furtherance of the practice. The court may make orders or judgments as necessary to prevent the use or employment by a person of any prohibited practices, or which are necessary to restore to any person in interest any moneys ... which have been acquired by means of a practice declared to be unlawful by this section ...

In addition to the remedies otherwise provided for in this subsection, the attorney general may request and the court may impose a civil penalty not to exceed forty thousand dollars per violation against a person found by the court to have engaged in a method, act, or practice declared unlawful under this section; provided, however, a course of conduct shall not be considered to be separate and different violations merely because the conduct is repeated to more than one person. In addition, on the motion of the attorney general or its own motion, the court may impose a civil penalty of not more than five thousand dollars for each day of intentional violation of a ... permanent injunction issued under authority of this section.

9. Iowa Code §§ 714.16A (1) & (3) provide, respectively:

If a person violates section 714.16, and the violation is committed against an older person, in an action by the attorney general, in addition to any other civil penalty, the court may impose an additional civil penalty not to exceed five thousand dollars for each such violation.

As used in this section, "*older person*" means a person who is sixty-five years of age or older.

ADDITIONAL FACTUAL BACKGROUND

10. In February of 2013, a telemarketer who identified herself as “Cheryl” made a call on behalf of AHDW to an Iowa resident to solicit the sale of merchandise. The call was made to a phone number formerly that of an elderly Iowan, a number which is currently assigned to an undercover phone line maintained by the Consumer Protection Division. The call was received by a staff member of the Iowa Attorney General’s Office posing as the elderly Iowan, and the sales pitch was recorded. A transcript of the recording is appended as Attachment I, and a CD containing an excerpt of the recording is being filed nonelectronically pursuant to Iowa Rule of Civil Procedure 16.315(1)(c), and will be appended as Attachment II to the hard-copy Petition to be served on each defendant pursuant to Iowa Rule of Civil Procedure 1.305.¹ This solicitation will be referred to as “the Cheryl call.”

11. In March of 2013, a telemarketer who identified himself as “Larry” made another sales call on behalf of AHDW to the same elderly Iowan who had been the target of Cheryl’s call, and the sales pitch was recorded. A transcript of the recording as Attachment III. This solicitation will be referred to as “the Larry call.”

12. Later in March of 2013, a telemarketer who identified himself as “Barbara” made a call on behalf of AHDW to another Iowa resident (not the target of the above-referenced calls) to solicit the sale of merchandise.² This call was also received on the Attorney General’s

¹ The name and other information that might identify the intended recipient of the call has been redacted from each transcript and from the recording.

² AHDW has indicated that this telemarketer has a high-pitched voice and finds it easier to pretend to be a woman than to try to convince the people he calls that he is a man.

undercover phone line and recorded. A transcript of the recording as Attachment IV. This solicitation will be referred to as “the Barbara call.”

Investigative Subpoena

13. On April 29, 2013, the Attorney General served an investigative subpoena upon AHDW pursuant to Iowa Code § 714.16 (3) & (4). A copy of that subpoena is appended as Attachment V.

14. The subpoena sought information that would permit an evaluation of the accuracy of various of the representations that had been made in the above-referenced solicitation calls, regarding such matters as the nature of the callers’ handicaps, the benefits to the handicapped that flowed from product purchases, and the overall operation of AHDW. As reflected in the attached affidavit of Consumer Protection Division Investigator Marc Wallin, many businesses that telemarket products by emphasizing the assistance given to disabled workers have used unfair and deceptive practices, involving (among other things) false or misleading representations regarding the caller’s own circumstances and disabilities, and also regarding the extent to which purchases of high-priced merchandise would benefit the handicapped. *See* Attachment VI.

15. AHDW responded to the subpoena on May 29, 2013, and on June 3, 2013 (*see* Attachments VII and VIII, respectively, each bearing appropriate redactions).³

16. The responses provided by AHDW establish that the above three telemarketing pitches contained numerous violations of Iowa law, including repeated, blatant, material lies, as well as deceptive and unfair manipulations, all such lies and manipulations intended to induce

³ In addition to the above-referenced subpoena, the Attorney General earlier obtained information

purchases of AHDW's high-priced household products.

The Cheryl Call

17. This AHDW solicitation contained the following unfair or deceptive features (among others):

- a) The attempt to appear to be someone the elderly target already knew and could trust, by referring to herself as "your old handicapped friend," and by claiming that they had spoken years before and that the Iowan had helped her at that time. In fact, Cheryl had worked at AHDW about a month at the time of this call.
- b) The claim that she is "handicapped" and suffers from a deteriorating spine due to scoliosis, putting her at serious risk of paralysis without surgical intervention. In fact, the "disadvantage" Cheryl identified when she applied to work at AHDW in January 2013 was her status as a recovering addict.
- c) Undue pressure to purchase: "I'm begging you, I'm not asking you but begging you for your help with something small"; and "I need you."
- d) The representation that AHDW would match 75% of the price of every item Cheryl sold, and that the money would go directly to the accounting department at the hospital until the \$10,000 cost of upcoming surgery was covered. In fact, AHDW paid its telemarketers minimum wage coupled with opportunities for modest commissions and bonuses, and Cheryl evidently had no need for surgery in any event.
- e) When asked to identify the least expensive item, Cheryl claimed that it would be six light bulbs costing \$75.95; only when the Iowan declined to spend that much did Cheryl indicate that a \$34.95 "donation package" of two light bulbs was also available. In fact, according to the company its least expensive item is a set of two light bulbs for \$24.99, and so the Iowan was being overcharged about \$10.
- f) The claim that if the order were pre-paid (for example, using a credit card over the phone) then Cheryl would receive a food voucher which would help with her "little grown boys" at home. In fact, company policy dictates that the only direct reward for a single instance of prepayment is \$1.00 earned by the verifier, and AHDW reports that 49-year-old Cheryl has adult children.
- g) The representation that AHDW would not be calling again for a year. In fact,

from AHDW through a civil investigative demand issued in June of 2010.

company policy is to call a purchaser back in twenty weeks, and, as noted below, in fact many Iowans are re-solicited even more quickly.

h) The repeated use of religious references to create unwarranted trust in the integrity of AHDW and its representatives.

The Larry Call

18. This AHDW solicitation contained the following unfair or deceptive features (among others):

a) Claiming that the caller is “from the handicapped and blind veterans.” In fact, AHDW states its mission as “to provide employment opportunities to persons with no other access to the job market,” without reference to blind veterans.

b) Telling the Iowan that the caller was phoning from the California office, and that he had just had his 80th birthday. In fact, the only man near retirement age at that office is 59 years old.

c) The complaint that diabetes is “eating [him] up,” and that he had to have part of his leg removed the month before the call. Upon information and belief, these claims are exaggerated if not outright false.

d) The description of AHDW as having “locations in 41 different states,” including Iowa. In fact, AHDW states that it has one office in Arizona, one in California, and three in Michigan.

e) The claim that customers paid for only 20% of the merchandise sent out in 2012. In fact, AHDW states that it collects on about 75% of its sales.

f) The claim that the company has been “in business for twenty-five years.” In fact, AHDW was incorporated in August of 1994 and reports that it began sales in 1996.

g) Identifying the least expensive as costing \$61. In fact, at noted above, it’s \$24.99.

h) Claiming that 80% of the money spent on a product “goes to help the handicapped and disabled,” and that the company “only keeps enough money to take care of the shipping and the handling and the product.” In fact, AHDW is not a charity, but rather a for-profit operation that generates substantial sums of money for its owner, Adli Najib Dasuqi, and this 80% representation is flatly false.

i) The claim that if the Iowan would prepay, Larry would be rewarded with a \$25 food voucher. Again, AHDW reports that it does not compensate telemarketers for prepayment in that manner.

19. The Larry call also includes a remarkable window into the mindset of at least one AHDW supervisor. During a brief period in which the Iowan stepped away from the phone to get approval to spend as much as \$61, the recording picked up a supervisor instructing a telemarketer: "It's not the product, it's not the price. What is it? Your story, man. I've told you over, and over, and over, and over ..."

The Barbara Call

20. This AHDW solicitation contained the following unfair or deceptive features (among others):

- a) Insinuations that the caller and the Iowan had become friends through past contacts, to promote an aura of intimacy and confidence in the caller's representations.
- b) The caller's claim to be "handicapped" by congenital Peripheral Artery Disease, which he says has resulted in repeated surgeries and the replacement of all arteries in both legs with stents to avoid amputation. In fact, the company describes his condition as "persistent ulceration of his right leg that requires periodic treatment" at a wound center, and that he is an ex-convict.
- c) The claim that he had lost his husband since he had last spoken to the Iowan, and so now "was raising my three girls by myself." As the caller is a 59-year-old male, these statements appear to be fabrications intended to generate sympathy and sales.
- d) The description of the call as part of the Easter drive, as though AHDW engaged in periodic campaigns rather than full-time, year around telephone sales.
- e) The contention that he would get 65% of the Iowan's payment. AHDW's compensation of minimum wage to start, with possible bonuses, does not, upon information and belief, ever remotely approach the 65% level claimed.
- f) When asked to identify the least expensive item, the statement that a \$36 item is "the smallest that I have." In fact, as noted above, the least expensive purchase is less than

\$25.

g) References to religious beliefs to engender undeserved trust and to dispose the Iowan to act charitably.

Authorized Scripts and Instructions

21. Many of the above-described misrepresentations, manipulations, and abuses can be traced to elements of the authorized scripts and instructions that AHDW provides to its telemarketing staff, and still other features of these materials promote deceptions not necessarily reflected in the calls in question. For example, such materials direct telemarketers to say:

- a) “[W]e love you for all your support. We really do.”
- b) “If it wasn’t for kindhearted folks like you to help us out, there would be a lot more handicapped and socially disadvantaged folks who wouldn’t be able to support their families” (Callers are instructed to stick to the scripts, thus mandating references to dependent families no matter what the caller’s true circumstances.)
- c) “I’m calling today to try to start our drive on a positive note” (Again, “drive” connotes periodic efforts undertaken by charities, rather than AHDW’s continuous year-round sales effort.)
- d) “Right now our goal as a company is to expand our ten national offices to 12.” (The company reports that it has five offices.)
- e) “[W]e use the honor system here Absolutely no credit cards or C.O.D.” (This false claim is used to persuade the consumer that it’s a safe transaction; once the consumer commits to a purchase, however, he or she is pressured to pay by credit card.)
- f) “Our most popular package [of trash bags] is our 6-month supply . . . [for] ONLY \$154.95.” (In fact, the company has acknowledged that the average purchase amount is \$58.00.)
- g) “I’d love to mail those bags out to you with the love and blessings of the handicapped and socially disadvantaged.”

- h) "I'm not asking you to do it because you need something, I'm asking you to do it because I need the help."
- i) "I'm a disadvantaged person with the American Handicapped. Once a year, we call you" (Again, the company re-solicits customers in five months or sooner.)
- j) "This company is not in the business to sell these household products, there [sic] in the business to keep handicapped and disadvantaged individuals like myself employed"
- k) "If I was sinking in quick sand, and I had my hand out to you for help, would you walk past me . . . ? . . . Please make [a] little room in your heart"
- l) "I know you might not need anything right now, but I need you."
- m) "We are offering a special today" (This supposed one-day opportunity that has evidently been offered every day for years).
- n) "There are a lot of bad companies out there, but here we work on the honor system."
- o) "Heaven knows that we want to do the right thing."
- p) [Instructions to telemarketers:] "When switching products always start back at the top, if you thin[k] they might be able to afford something more than \$29.95, just tell them that you have to start at the top anyway because you're just doing your job. You never know who has it and who doesn't, so start at the top for everyone when switching products. . . . Don't leave anything on the table!"

Older Iowans

22. Victims of telemarketing fraud in general, and victims of consumer fraud in the context of charitable (and quasi-charitable) telephone solicitations in particular, are disproportionately age 65 or older, at least in part because this segment of the population is more likely to be retired and at home when telemarketers make their phone solicitations, often during day-time hours.

23. Older Iowans have been particularly impacted by AHDW's repeat solicitations.

Despite AHDW's claims that it does not re-solicit a customer for 20 weeks after a purchase, in fact company records indicate that in a recent calendar year (2012) AHDW solicited three Iowans (median age 71) four times in a single calendar year. For some older Iowans who made high-dollar purchases, repeat solicitations have occurred in quick succession; for example, one 67-year-old Iowan was solicited three separate times within a four and one-half month period in late 2012 (\$199.95; \$199.95; \$214.95).

24. Some of AHDW's sales techniques identified above may be particularly effective in extracting money from the vulnerable elderly (*e.g.*, outright begging for help, claims of friendship based on past contacts, and references to shared religious beliefs). Another objectionable technique that may adversely affect older Iowans is the "assumptive close," in which the telemarketer is instructed to act as though the consumer has agreed to make a purchase even though no such agreement has been communicated. It is currently unknown how many older Iowans have been railroaded into making purchases in this way.

Other Allegations

25. Neither all nor any part of the application for injunctive relief herein has been previously presented to and refused by any court or justice. Iowa R.Civ.P. 1.1504.

26. In an action by the state, no security shall be required of the state. Iowa R.Civ.P. 1.207.

CERTIFICATION AND AFFIDAVIT

27. In addition to the Consumer Fraud Act provisions cited above, Iowa R. Civ. P.

1.1501 *et seq.* provide for entry of temporary injunctive relief. Iowa R. Civ. P. 1.1507 provides that a temporary injunction may issue without notice if the required showing is made, such showing to include a certification by the applicant's attorney as to certain matters. The undersigned certifies as follows:

- a) Delaying injunctive relief by providing advance notice and hearing to Defendants is likely to result in an extended period during which additional consumers are unlawfully induced to make payments to AHDW on the basis of the misleading and unfair solicitation practices detailed herein.
- b) Continuation of the misleading conduct that Plaintiff seeks to enjoin would divert to Defendants charitably-motivated expenditures that might otherwise have been used for the purposes intended by consumers, namely support of efforts to assist genuinely handicapped persons who need and deserve support.
- c) The injunctive terms sought by Plaintiff would not halt any legitimate, non-misleading marketing or activities in which Defendants may be engaged. The injunction requested is not such as to "stop the general and ordinary business of a corporation" for purposes of Iowa R. Civ. P. 1.1507.
- d) Given the egregious nature of the lies and misconduct that can be reliably established, as described above, any doubt about halting the apparently deceptive diversion of funds from Iowa consumers -- many if not most of them elderly -- should be resolved in favor of preventing further victimization.

COUNT I

CONSUMER FRAUD ACT VIOLATIONS

28. Paragraphs 1 through 27 are incorporated herein by reference.

29. Defendants' acts and practices, taken in isolation and/or in combination, violate the prohibition of Iowa Code § 714.16 (2)(a) against misleading, deceptive, unfair, and omissive acts and practices, and otherwise violate that provision of Iowa law.

30. Although it is not necessary to establish reliance, damages or intent to deceive to

obtain injunctive relief or reimbursement under the Consumer Fraud Act (*see* paragraph 7 above), establishing these factors, particularly intent, is nevertheless relevant *inter alia* to the Court's determination of the appropriate scope of injunctive relief and the appropriate amount of civil penalties. Those acts and practices of Defendants in violation of subsection (2)(a) of the Consumer Fraud Act as alleged in this Count would in fact induce reliance on the part of consumer victims, would in fact cause damage to consumers, and/or were in fact intentional.

COUNT II

CONSUMER FRAUDS COMMITTED AGAINST OLDER PERSONS

31. Paragraphs 1 through 30 above are incorporated herein by reference.

32. Many of the Consumer Fraud Act violations for which the Defendants are responsible were committed against older persons and give rise to the additional civil penalty provided for in section 714.16A.

PRAYER

Plaintiff prays the Court grant the following relief:

A. Pursuant to Iowa Code § 714.16 (7), and upon further request by Plaintiff addressed to the Court, enter a temporary restraining order and preliminary injunction restraining Defendants, and each of them, and (as applicable) each such Defendant's directors, officers, principals, partners, employees, agents, servants, representatives, subsidiaries, affiliates, successors, assigns, merged or acquired predecessors, parent or controlling entities, and all other persons, corporations and other entities acting in concert or participating with such Defendant who have actual or constructive notice of the Court's injunction, from engaging in the deceptive, misleading,

omissive, and unfair practices alleged in this Petition or otherwise violating the Iowa Consumer Fraud Act.

B. Pursuant to Iowa Code § 714.16 (7), after trial on the merits, make permanent the above-described injunctions, expanding their provisions as necessary by including *inter alia* such “fencing in” provisions as are reasonably necessary to ensure that Defendants and other enjoined persons and entities do not return to the unlawful practices alleged herein, or commit comparable violations of law.

C. Pursuant to Iowa Code § 714.16 (7), enter judgment against Defendants, jointly and severally, for amounts necessary to restore to Iowa consumers all money acquired by means of acts or practices that violate the Consumer Fraud Act, and/or to follow through on providing help to the disabled of the kind that was described to Iowa consumers who made purchases.

D. Pursuant to Iowa Code § 714.16 (7), enter judgment against Defendants, jointly and severally, for such additional funds as are necessary to ensure complete disgorgement of all ill-gotten gain traceable to the unlawful practices alleged herein.

E. Pursuant to Iowa Code § 714.16 (7), enter judgment against each Defendant for a civil penalty of up to \$40,000.00 for each violation of the Consumer Fraud Act.

F. Pursuant to Iowa Code § 714.16A, enter judgment against each Defendant for an additional civil penalty not to exceed \$5,000.00 for each violation of the Consumer Fraud Act committed against an older person.

G. Award Plaintiff interest as permitted by law.

H. Pursuant to Iowa Code § 714.16 (11), enter judgment against Defendants, jointly and

severally, for attorney fees, state's costs and court costs.

I. Retain jurisdiction as necessary to ensure full compliance with the pertinent provisions of the Consumer Fraud Act and with the Court's orders.

J. Grant such additional relief as the Court deems just and equitable.

Respectfully submitted,

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AMERICAN HANDICAPPED & DISADVANTAGED WORKERS

February 2013

PD: PROSPECTIVE DONOR

C-: Cheryl

R-: Rafia

PD: Hello?

C-: Hello? Ms. [NAME]?

KG: Yes.

C-: God bless you sweetheart, how are you?

KG: Good.

C-: Good. It's blessed how we are able to have another day and another year, isn't it?

KG: That's true.

C-: Amen. Amen. [NAME], this is Cheryl, your old handicapped friend. The one that has scoliosis. The last time you and I spoke, that was back in what, 2008. As a matter of fact it was in October of 2008 and I told you it would be a few years before I called you back. I kept my, kept that word, didn't I?

KG: Yes.

C-: I want to thank you for opening up your heart, helping me out. I was able to complete my water therapy. I'm really grateful for it. Last year though, I had to go have an MRI. The doctor told me my cartilage in my spine is deteriorating prior to the five herniated discs, and they want to put a rod and some screws in my spine to help prevent it from breaking 'cause if it breaks, they can't replace it and then everything in my back is going to break down and I will end up paralyzed. Lord knows I'm not trying to be paralyzed when it can be prevented, you know?

KG: Um hum.

C-: And, and I'm, and I'm grateful and thank God that I do have a choice. You know, because a lot of people with scoliosis don't get choices. I'm taking mine and running with it. And that's a blessing for me. But the second blessing here's the company, and though they want to try and help me to hold on 'til surgery day, for October, at the end of this year, 'cause we don't receive no, none of the state or the federal funds so they told me every order I receive they going to match that up dollar for dollar. [NAME], I'm begging you, I'm not asking you but begging you for your help with something small.

KG: OK ...

C-: Now ...

KG: ... I get, now wait. I get quite a few calls, so who is this again?

C-: American Handicapped and Disadvantaged Workers.

KG: OK, now I kind of remember that name. And I'm sorry, what was your name?

C-: My name is Cheryl.

KG: Cheryl.

C-: Yes ma'am.

KG: OK, and where are you located?

C-: I'm in the California office. We are in Hawthorne, California.

KG: Oh OK. OK.

C-: Um hum.

KG: Well ...

C-: But now, now, oh ...

KG: Go ahead.

C-: Oh OK. I'm sorry. I didn't mean to interrupt you. OK, now you know I have the hummingbird wind chimes, the Nature's Own odor eliminator spray, assorted greeting cards, Super Clean 2000, micro-fiber towels, still have the light bulbs and the garbage bags. I need you. Which one do you want to help out with?

KG: Well, which one is the least expensive item?

C-: Well, if you really look at it, I mean when you want to go down to a low a, price, I mean it, it would be the light bulbs. I mean 'cause you know you can get them 'cause they do come by the dozen ...

KG: Well how, I, I need to know a price first.

C-: OK, but we do have the half a dozen, OK? Now, on, on which one, the dozen ... 'cause there's ...

KG: No, the half a dozen.

C-: OK. That's, that with the, that's seventy-one ninety-five.

KG: OK. Yeah I, I'm sorry I'm not going to be help out, I don't have that kind of money right now.

C-: OK, hold on. Hold on, hold on...

KG: The most I could ever do is thirty-five dollars.

C-: OK. Well I tell you what, can I just give you the donation package of two for thirty-four ninety-five?

KG: Sure.

C-: God bless you. What wattage of light bulb would you like?

KG: Sixty.

C-: OK, clear or frosted.

KG: OK, but let me ask how, how, how does this work? So of the...

C-: My supervisor call you back and verify the order...

KG: No, no, no. I mean how is that going to help you?

C-: Oh? Seventy-five percent of the thirty-four ninety-five that goes towards to holding on to the date, the company matches that seventy-five percent dollar for dollar. Now that money does go, directly to the hospital at the accounting department 'til I get up to ten thousand, because then they be getting ready to prep me for the, the surgery. After I come out of surgery, what happens is, is I have to pay fifty dollars a, a year after I've been in surgery and rehab, then I start paying fifty dollars a month until I'm all paid off.

KG: OK, so you get seventy-five percent of that?

C-: Yes ma'am.

KG: OK. Well go ahead...

C-: Because I'm having surgery. That's the only reason 'cause, 'cause if it wasn't then it'd be sixty-five you know, on a regular basis. But since of the surgery it's seventy-five percent for me.

KG: Oh, OK.

C-: Yes.

KG: OK, well yeah go ahead and, and send that out then.

C-: OK, and you want them clear or frosted, I forgot.

KG: Oh I'm sorry, no, I didn't say. I'm going to say frosted.

C-: OK, are you sure 'cause they do burn kind of dim. OK? And if you want a regular lighting then I suggest the clear.

KG: Oh?

C-: 'Cause these are the _____ light bulbs.

KG: OK, yeah you're right. You're right.

C-: OK.

KG: That I get the clear.

C-: All righty. Now listen are you, let's see [NAME], are you at [ADDRESS]?

KG: Oh no, I've moved now.

C-: Oh, you done moved, you done grew up?

KG: Yeah.

C-: When I grow up, I want to be like you. That's why after the surgery I plan on everything go like the doctor are saying, I'm going to go back to school and get a trade. You know they say better late than never.

KG: That's right.

C-: Say, I'm in my 40's but it's OK. I'm planning on it girl, right? Now what's your address?

KG: OK, now it is [ADDRESS] ...

C-: OK, [ADDRESS].

KG: [ADDRESS].

C-: [ADDRESS], OK and you still, what is that [CITY], Iowa?

KG: No, now I've moved out to [CITY]. And it's capital [SPELLING] ...

C-: Wait a minute. [SPELLING].

KG: Capital [SPELLING] ...

C-: Capital [SPELLING].

KG: [SPELLING].

C-: [SPELLING]. OK, that's still Iowa?

KG: Um hum. And the zip code...

C-: I'll update your ... did your zip code change?

KG: Yes. It's [ZIP].

C-: OK, [ZIP]. OK. Now Rafia is going to call you back and verify the order and [NAME] if you pre-pay the order with Rafia when she call you back, it will help me out with a food voucher at the end of the day with me and my little growin' boys that's at the house, thinking that, you know 'cause I have bad days and a lot of times I can't move so I mean they cook and clean up but still I feel that they need to be grown and gone and grow up and get a job.

KG: Well, I won't be able to do that, so sorry.

C-: Oh, OK. Well you know we will put the bill in the box for you but you know let me, let me give you a secret too, like the day that you receive the package and you mail the payment in, the very next day, I'll still be able to get a bonus, OK?

KG: OK.

C-: OK. But she'll call you back and verify the order and make sure that I have everything written up properly and correctly and [NAME], have a blessed year and I will call you back next year in May and if everything go right I'll call you in May and let you know how everything went, how's that?

KG: OK. That sounds good.

C-: OK, God bless you and have a blessed, blessed year.

KG: Thank you. Bye.

C-: Bye, bye.

.....

KG: Hello?

R-: Hello, can I speak to Mrs. [NAME]?

KG: This is her.

R-: Hello, my name is Rafie. I'm calling to verify the order?

KG: Yes.

R-: You ordered, you ordered the light bulbs for thirty-five ninety-five?

KG: Yes.

R-: Actually it's thirty-four ninety-five.

KG: OK.

R-: OK. And how would you be paying for the order today...

KG: You'll need to go ahead and mail me out a bill.

R-: OK. Get it out there to you in seven to ten business days. When you receive it the invoice will be inside of the box, just take it out of the box and send a check or money order back within a couple of days after receiving the product, OK?

KG: OK.

R-: And thank you.

KG: Um hum. Bye, bye.

R-: Bye, bye.

**ATTACHMENT II
(SEE PETITION ¶ 10)**

**FILED NONELECTRONICALLY
PURSUANT TO
IOWA R. CIV. P. 16.315(1)(c)**

ATTACHMENT II

AMERICAN HANDICAPPED & DISADVANTAGED WORKERS

March 2013

PD: PROSPECTIVE DONOR

L-: Larry

R-: Rafia

L-: ... God bless you. The Lord be with you. This is Larry, from the handicapped and the blind veterans. How've you been?

PD: Oh good. How are you?

L-: Oh I've been blessed by the best. I can't complain. Yesterday I had my 80th birthday.

PD: You're eighty years old?

L-: Eighty years old.

PD: Oh my goodness.

L-: And I, you know, I don't feel so great but it, but it's, you know the fact that I still have my faculties is a blessing. You know the diabetes is eating me up but last, last month I had to get another portion of my leg taken off. But I'm doing all right. You know, all in all. You know the reason why I'm calling you?

PD: No.

L-: Thank, is to, is to thank you. I want to thank you for all the love and support you've given us. You've been a blessing to the handicapped and the blind.

PD: OK, let me stop you. Now who is this?

L-: This is Larry.

PD: Larry ... and your last ...

L-: American Handicapped and Disadvantaged Workers.

PD: Larry your last name?

L-: Frye.

PD: Larry Frye. Oh, that kind of sounds familiar. And I've spoke to you before?

L-: Yeah. Last, a couple years ago.

PD: A couple of years ago. American Handicapped and Disabled...

L-: Disadvantaged Workers, yeah.

PD: Oh, OK. Where are you located at?

L-: Well, I'm calling you from L.A. but we got locations in 41 different states.

PD: Oh?

L-: Whenever you buy something from us, it goes closest to your zip code.

PD: How does that work though?

L-: Well, we distribute the money through, we have 41 different organizations and each organization supports itself but, say for instance we have a problem in Oregon or Washington or Iowa, they all take care of each other. So it's, it's really a good thing.

PD: Well I know ...

L-: It keeps us working and last year wasn't so good for us. We had a lot of, we had a lot of things go out in trust and we only got paid for 20% of them.

PD: Now when you say, when you say ...

L-: Yes.

PD: ... you go. You help them, you give them money?

L-: Yes. Yes. Yes, each organization takes care of itself except for when we have a problem, we send money towards the other organizations. We're all one, we're under one umbrella but we all support each other.

PD: Hmph.

L-: So it's, we've been doing it for what, we've been in business for twenty-five years.

PD: Oh.

L-: So, it's, we've helped handicapped, disabled people, seniors. We have senior citizen centers where, where we support them too. It's an organization that helps people that can't help themselves.

PD: Well, do you have anything in Iowa?

L-: Yeah, yeah. We got organizations...

PD: What's the ...

L-: We got organizations in Iowa ...

PD: What's the name of them?

L-: ... Washington, and Michigan and Indiana, Pennsylvania, Nebraska. We're all over the globe.

PD: I know, but what's the name of the places in Iowa?

L-: I think it's Fresh Start in Iowa.

PD: First Start?

L-: Fresh Start in Iowa.

PD: Oh, Fresh Start in Iowa.

L-: Yeah.

PD: Oh.

L-: I think it's Fresh Start.

PD: Do you know where they're located?

L-: I couldn't tell you in Iowa ...

PD: Oh OK. OK. Well, what is your least expensive item?

L-: Well, the smallest thing we got on the list is, we have, OK, well let me tell you what we have first. We have concentrated cleaner, degreaser. It's 80 to 1. Eliminates, it eliminates all odors. Cats, dogs, baby diapers, fish smell, mildew. It's even been tested on skunk odors and cigar smoke and it removes that to. It's all natural. It's made with 32 different plant oils. It's bio-degradable and a couple of pumps in one room, it filters throughout the house. It's not like the cheap aerosols that you buy in the store. It doesn't cover up the odor, it attaches itself to the molecules in the odor and neutralizes it and leaves you with a fresh, fragrant smell. We have kitchen shears. Cut your meat and vegetables and all. We have greeting cards. Kitchen towel sets. A concentrated cleaner, de-greaser. Now this is a 100 percent cleaner. It cleans everything. Your floors, your walls,

your stove and if you have a concrete driveway, it'll take the oil stains right up off the driveway. It's concentrated. On the bottle it tells you 80 to 1. We have the American flag. Micro-fiber cloths. We have the hummingbird and dolphin wind chimes. We have the trash bags in fifteen and thirty-three gallon and new three ply, double-lined bag with a draw-string and we have our new revolutionized light bulb. We got these bulbs a month ago. These bulbs save you forty percent on your energy bill every month. They give you a ten year non-conditional warranty. That means whenever something happens to one of these bulbs, if they burn out, if you accidentally break one, you simply just throw them in the trash. Call the 1-800 number and they will replace them free, as many times as you want to call in a ten year period. Along with that warranty, they give you a written warranty that you'll save tremendously on your energy bill.

PD: OK, let me stop you because I don't have a lot of time.

L-: OK.

PD: So what is your least expensive item?

L-: OK. Least expensive item is only sixty-one dollars.

PD: Mmm.

L-: That's taxes, shipping and handling.

PD: Boy, I don't know. Sixty-one dollars. What, what is it?

L-: Well, I can either send you the deodorizer, the cleaner, you don't want nothing, nothing else. What, what, so what might you be interested in?

PD: I want to know what your least expensive item is.

L-: Oh, the least expensive item. I can either send you the cleaner, the deodorizer, the humming bird wind chime or the greeting cards.

PD: OK, well I need, I need to ask you. So if I was to buy this for sixty-one dollars, how does that, how is that going to come back to you?

L-: Eighty percent of that money goes to help the handicapped and disabled.

PD: OK.

L-: We only, the, the, the company only keeps enough money to take care of the shipping and the handling and the product.

PD: OK. Well ...

L-: The rest of the money comes to the handicapped.

PD: That's quite ...

L-: That's how we stay alive.

PD: OK, well that's quite a bit, so what I'm going to have to do is I'm going to ask my husband. Can you hold on a second?

L-: Yeah.

PD: Sure. And it's sixty-one dollars?

L-: Sixty-one dollars.

PD: And that's shipping and handling, everything?

L-: That's, yeah.

PD: OK. Hang on.

L-: All right.

Background: OK hold on a minute man. Hang up man. Just back up. Hang up man. OK look man, look. It's not the product, it's not the price. What is it? Your story, man ... I've told you over, and over, and over, and over ...

PD: OK. Yes, I think I want the wind chimes.

L-: The wind chimes? OK. I'll send you the wind chimes. And you know what, I really want to thank you. God bless you for your support and it's only through people like you that we can keep our doors open so I want to let you know that we appreciate you and I'm going to say, I'm going to put you on my personal prayer list, OK?

PD: OK.

L-: All right, God bless you. She'll call you back in a few minutes to verify the call. Make sure I wrote down everything properly and they're doing something special for us today, if you pay with a check or credit card, they give us a twenty-five dollar food voucher and it goes a long way.

PD: OK.

L-: She'll tell ya about it when she calls ya back, OK?

PD: OK.

L-: All right. Bye, bye.

PD: Bye.

.....

PD: Hello?

R-: Is this Ms. [NAME]?

PD: Yes, this is [NAME].

R-: Hi ma'am. My name is Rafia. I'm calling from American Handicapped, for quality and training purposes the call is being recorded. You ordered the cleaner for sixty-one ninety-five.

PD: No. I ordered the wind chimes.

R-: OK. You want, oh the wind chimes. I'm sorry. And with tax shipping and handling it comes sixty-six ninety-five.

PD: He told me, he told sixty-one ninety-five and that included postage and shipping ...

R-: OK I'll leave it just like that. Can you confirm the address that you wanted it to go to?

PD: Sure. [ADDRESS] ...

R-: So it's not going to [ADDRESS]?

PD: No. I've ...

R-: OK, tell me it again?

PD: It is [ADDRESS]. And that's in [CITY], Iowa.

R-: Spell it for me?

PD: [SPELLING].

R-: And how would you be paying for this order today?

PD: You'll need to bill me.

R-: OK. I'm going to get it out there to you in seven to ten business days. When you receive it the invoice will be in the box. Just take it out and send check or money order back, OK?

PD: OK.

R-: Thank you very much.

PD: You're welcome. Bye.

R-: Bye.

AMERICAN HANDICAPPED & DISADVANTAGED WORKERS

March 2013

PD: PROSPECTIVE DONOR

BJ: Barbara Johnson

E-: Elizabeth (Verifier)

PD: This is [NAME].

BJ: Hey how ya doing?

PD: Good.

BJ: Well that's good my friend. It's great to be alive, isn't it?

PD: Oh yes.

BJ: And how's your family?

PD: Very good. Thank you.

BJ: Well, that's good Ms. [NAME]. It's only through the grace of God that we're here and the power of prayer really works, doesn't it?

PD: Yes.

BJ: And you always sound so nice and kind when I call your home. I was wondering, you be nice to everybody or just to me?

PD: Oh, I'm just nice to everybody.

BJ: Oh, I believe it too but I'm going to tell you one thing, I do know you're always nice to me. And meanwhile I appreciate because some of the people talk down pretty bad, OK? So when you get a kind-hearted person you be happy. Thank you for always being nice to me, OK? Now normally you would recognize this voice but you always forget my name.

PD: Well, who's calling?

BJ: Your buddy Barbara. Your handicapped buddy.

PD: Barbara, what's your, oh Barbara, what's your last name?

BJ: Johnson.

PD: Johnson.

BJ: Yeah, with the handicap, we are the ones with the light bulbs and the garbage bags and things, remember now?

PD: Well, I get quite a few calls.

BJ: Oh OK. Well, the last time you and I spoke, it was almost a year and a half ago, remember I just got out of the hospital for surgery and I had to go back for leg surgery, everyone was wrong, I was sure they was trying to cut my legs off. And you asked me whether I was diabetic and I told you no I was born with PAD. Peripheral Artery Disease, poor circulation so they had to do artery bypass on my legs. You know what that is?

PD: Not really.

BJ: OK, now sometimes people have a heart attack and they do surgery on, they replace all the arteries in the chest for a stent, well, what ... they did that to both of my legs. They replaced all the arteries with stents to keep from cutting my legs off. So I'm still kicking, but not high but I still got legs.

PD: Well, now what is the full name of your company?

BJ: American Handicapped and Disadvantaged Workers.

PD: OK.

BJ: Yes ma'am and like I say no one call here but me and I've been gone almost two years. I'm glad to be back though. 'Cause I've been gone a while. I lost my husband since we spoke. Start raising my three girls by myself but I'm OK.

PD: Oh, well, where are you located at?

BJ: OK, now when you first started helping me, I was in Jersey. OK but when my husband passed I moved to Michigan to be near my family. Somebody to watch the girls while I'm at work. I got three daughters.

PD: So you're from, the ...

BJ: _____ in New Jersey.

PD: Oh, but you're moving to where?

BJ: I'm in Michigan now to be near my mom and dad, you know somebody to watch the girls while I'm working till my legs heal. And once I'm recuperated, after a while I'll go back home, but right now I got to be near my mom and dad.

PD: Well now wait. So, there, American Handicapped and Disadvantaged Workers are letting you call from Michigan?

BJ: Yes ma'am. We call all over.

PD: So is there like a, a building there that you call out of?

BJ: Yes ma'am. We're in an office.

PD: Oh, OK.

BJ: Yeah the _____ in the office, OK, office holds, this office here holds right now twenty-seven people.

PD: Oh, OK.

BJ: OK but right now we don't have that many. We don't have twenty-seven 'cause we're in the learning center. I had to start all over again. So I'm working my way back up. But I'm OK because it's a job and I'm glad to have it.

PD: Yes.

BJ: Yes ma'am. Well then, then about New Years _____ least to handicapped, trying to stay alive and we always try to start on a positive note. And they give a list of our best supporters. People like yourself, and I'm not allowed to talk about the people that's on the list because they trust you all. I'm glad about that, and I just want to tell you something new and maybe for the Easter drive, OK?

PD: First can you tell me how does, if I was to buy something from you today, how would that get money back to you?

BJ: OK every time you help me, it give me job security, prove I can do the job, they keep me around and continue to work here while I keep my job and each time you help me, or anytime anybody help me, I get sixty-five percent of, of the, of the order.

PD: OK.

BJ: OK and the other thirty-five percent goes to hire another handicapped like me, to keep, the up-keep on the office and keep the doors open.

PD: OK. OK. Well, that sounds good. Now my money's kind of tight right now, so what is your least expensive item?

BJ: OK now you know you always help me out with the, with the forty-nine dollars but is that too much for you right now? I can just put you down for thirty-six. That's the smallest that I have.

PD: What's that?

BJ: And I can send you out some of the light bulbs, the micro-fiber towel or pair of kitchen scissors that cut through chicken bone. It has a pop opener, a can opener, and nut cracker. Which one would you rather have?

PD: I'd like, I'd like to have those cloths. The cloths.

BJ: Oh, the scissors?

PD: No, micro-fiber ...

BJ: Micro fiber towel, OK. Well, I appreciate that. Let me make sure I got it right. [ADDRESS]?

PD: Yes. Yes. And does ...

BJ: OK.

PD: Now does that include shipping and handling?

BJ: Yes ma'am it, it includes shipping and handling, only thirty-six ninety five. Not a penny more.

PD: OK great.

BJ: OK, now you'll get it in seven to ten days. Supervisor going to call you right back to go over the order. Can you tell them I did a good job?

PD: I sure will. Thank you.

BJ: And tell them to give me a raise.

PD: OK.

BJ: Thank you, Ms. [NAME].

PD: Bye, bye.

BJ: And you and your family have a happy Easter.

PD: Thank you. You too.

BJ: Bye, bye. Yes ma'am.

.....

PD: Hello?

E-: Is that Ms. [NAME]?

PD: It's, it is [NAME].

E-: [NAME].

PD: Um hum.

E-: Your last name is pronounced, is it pronounced [NAME]?

PD: It's [NAME].

E-: Can you say that again?

PD: [NAME].

E-: [NAME]. OK, that's different. My name is Elizabeth. I'm calling with American Handicapped, and I'm calling, I'm calling just to verify some things with you, is that OK?

PD: Yes.

E-: OK. Looks like we have you for the support of thirty-six dollars and ninety-five cents, correct?

PD: Yes.

E-: OK ma'am, we have you at [ADDRESS]?

PD: No, that's wrong. It's [ADDRESS].

E-: OK. It's [ADDRESS]?

PD: Um hum. Yes [ADDRESS].

E-: [ADDRESS]. OK.

PD: Do you want to repeat that back to me?

E-: I have [ADDRESS]?

PD: Very good.

E-: OK. I have you in [CITY] at [ADDRESS].

PD: Yes.

E-: OK. And we're, it looks like we're going to go ahead and send out the micro-fiber towel to say thank you for your support.

PD: Yes.

E-: OK. What we're doing today is we're trying to receive the support up-front, we do post-date for two weeks so would you be using debit, credit or check?

PD: Oh, you need to give me an invoice.

E-: OK, we can go ahead and send that out to you. You can receive it on our honor system. All we ask, because the handicapped worker could receive a gift bonus today, a food basket at the end of the night for their support up-front, that's all. But we can send this out to you. You'll receive it within seven to ten business days. And also this isn't something you can cancel or return 'cause the handicapped worker will receive his work credit hours in advance. OK?

PD: OK.

E-: Thank you and God bless.

PD: You're welcome. Bye, bye.

THOMAS J. MILLER
ATTORNEY GENERAL



CONSUMER PROTECTION DIVISION

Address Reply To:
Hoover Bldg., 1305 E. Walnut
Des Moines, Iowa 50319
Telephone: 515-281-5926
Toll Free: 888-777-4590 (in Iowa)
Fax: 515-281-6771
www.IowaAttorneyGeneral.org

Department of Justice

SUBPOENA NO. 2329

STATE OF IOWA)
DEPARTMENT OF JUSTICE) ss:

THE STATE OF IOWA TO: American Handicapped And Disadvantaged Workers, Inc. ("AHDW"); and Adli N. Dasuqi (aka Adli Aldasuki) ("Respondents")

IN RE INVESTIGATION OF: Telephone solicitations of Iowa residents by Respondents.

Pursuant to the provisions of the Iowa Consumer Fraud Act, Iowa Code § 714.16 (2013), Respondent is hereby commanded to appear before Assistant Attorney General Steve St. Clair of the Consumer Protection Division of the Office of the Iowa Attorney General at the Hoover Building, Second Floor, 1305 E. Walnut, Des Moines, Iowa 50319, at 1:00 p.m. on the 15th day of May, 2013, to give evidence under oath in the above investigation, and to bring at that time written responses to the following information requests¹:

1. *Provide the following information separately for each of the following two telephone solicitors who were making one or more calls into Iowa on behalf of AHDW in March of 2013: Larry Fry (spelling?) and Barbara Johnson (spelling?):*

a) the person's full name, address, telephone number, date of birth, work location, and date of hire;

b) whether the person is himself/herself handicapped, and, if so, describe completely and in detail the nature and extent of his/her handicap;

c) whether the person is subject to other burdens or disadvantages, such as the loss of a spouse, responsibility for the support or care of minor children or other family members,

2. *State: the extent to which the purchase price of one of AHDW's products goes to help the handicapped, and how that help is delivered or effectuated; the extent to which the purchase price of one of AHDW's products goes to the telemarketer who made the sale; the total number of employees of AHDW, and the number of those employees who are*

¹ See page 3 of the subpoena regarding the option of providing the requested information without having to physically appear at the date and time indicated.

handicapped; what incentive or benefit (if any) is provided to a telemarketer and/or verifier if a customer pays by credit card or check-over-the-phone; what the least expensive item sold by AHDW through telemarketing is, and how much it costs; whether AHDW is a for-profit business; and whether AHDW has business locations other than the one to which this subpoena was sent, and, if so, the address of each.

3. Provide the name and address of each supplier from which AHDW obtains the products it sells through telemarketing, and indicate what products AHDW obtains from each such supplier.

4. Indicate specifically how soon AHDW makes another solicitation call to a person who makes a purchase or donation (for example, three months later, six months later, or whatever), and indicate whether AHDW's calls into Iowa on a continuous basis, as opposed to having periodic drives (Christmas drive, Easter drive, etc.).

5. Provide a copy of each telephone solicitation script (including without limitation initial solicitations, repeat solicitations, rebuttals, responses to frequently asked questions, and verification scripts) used by representatives of AHDW at any time after January 1, 2012.

6. For each Iowa resident who has made a purchase from AHDW at any time after January 1, 2012, provide the person's name, address, and phone number, as well as the date of each purchase in that period, what was purchased, the purchase price, and the name of the telemarketer who made that sale. This information is to be provided in Excel, unless other arrangements are expressly made.

7. Identify each person with an ownership interest in Respondent, and (separately) the person with primary authority for Respondent's day-to-day operations.

8. Provide the date AHDW was incorporated, and, AHDW was in business prior to that date under one or more different names, indicate such names and the time period during which each such name was used.

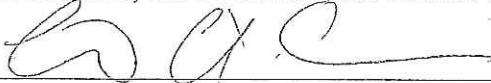
9. Indicate in detail the extent to which (if at all) work credits (or work credit hours), food vouchers, gift bonuses, and/or food baskets are provided to AHDW workers as compensation, incentives, or for any other reason.

10. Describe in detail whatever policies were in effect as of March 2013 regarding a purchasers option (if any) to cancel an order or return a product.

In lieu of appearing, Respondents may provide the above-described materials and/or information to the undersigned at or before the time and date set forth, or at or before such alternative time and date as may be arranged between the subpoenaed entity and the undersigned.

Witness my hand hereunto affixed this 29th day of April, 2013.

TOM MILLER, ATTORNEY GENERAL OF IOWA

By: 

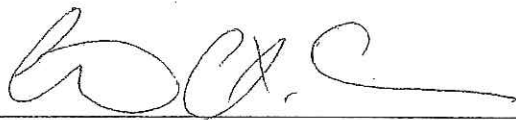
Steve St. Clair
Assistant Attorney General
Hoover Building, 2nd Floor
1305 East Walnut
Des Moines, Iowa 50319
Phone: (515) 281-5926
Email: steve.stclair@iowa.gov

NOTICE OF INTENT TO PROCEED

Service of this subpoena and Notice of Intent to Proceed on you will also constitute your only notice, pursuant to Iowa Code § 714.16(6), that your failure to comply with this subpoena may result in application to the District Court for an order compelling a response to the subpoena and, additionally, for other relief provided by Iowa Code § 714.16(6).

Witness my hand hereunto affixed this 29th day of April, 2013.

THOMAS J. MILLER, ATTORNEY GENERAL OF IOWA

By: 

Steve St. Clair
Assistant Attorney General

AFFIDAVIT OF MARC WALLIN

I, Marc Wallin, being duly sworn on oath, state as follows:

1. I am an Investigator in the Iowa Attorney General's Office, a position I have held since March of 2000. I am currently assigned to work in the Consumer Protection Division and the Farm Division. As one of my responsibilities in the Consumer Protection Division, I investigate various forms of deceptive or unfair practices relating to charitable solicitation, including issues relating to merchandise advertised and/or sold by for-profit entities purportedly acting so as to benefit the handicapped or disadvantaged.


2. I have read the Petition In Equity to which this affidavit is attached, and, based on personal knowledge gained from my review of the relevant Consumer Protection Division files, can attest to the accuracy of the contents of the Petition. In particular, after several years performing the above-referenced duties in the Consumer Protection Division, I can attest that many businesses that telemarket products by emphasizing the assistance given to disabled workers have long been the source of unfair and deceptive practices, involving among other things false or misleading representations regarding the caller's own circumstances and disabilities, and also regarding the extent to which purchases of high-priced merchandise will benefit the disabled.

3. Victims of telemarketing fraud, including consumer fraud associated with telephone appeals for charitable donations or telephone sales of merchandise intended to benefit the disabled, tend disproportionately to be aged 65 and older, at least in part because they are more likely to be at home when telemarketing calls are made (often during standard work hours).



Marc Wallin

Signed and sworn to by Marc Wallin before the undersigned Notary Public in and for the
State of Iowa on this 11th day of September, 2013.


Iowa Notary Public



AMERICAN HANDICAPPED & DISADVANTAGED WORKERS, INC.

**12601 N. Cave Creek Rd, #113
Phoenix, AZ 85022**

P.O. BOX 55750

(480) 948-3903

PHOENIX, AZ 85078

(480) 948-0868 fax

May 29, 2013

Steve St. Clair,
Assistant Attorney General,
State of Iowa,
Hoover Building, 2nd Floor
1305 East Walnut
Des Moines, IA 50319

RE: Subpeona NO. 2329

Mr. St. Clair:

Enclosed is the information requested in the subpoena dated April 29, 2013. Please let me know if you need any additional information.

Yours truly,

Richard Hourihan

Bookkeeper

RECEIVED
JUL 1 10 10 AM
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ATTACHMENT VII

Mr. St. Clair:

Please consider the following narrative before addressing the enumerated responses.

American Handicapped and Disadvantaged Workers, Inc. (here in after AHDW) is a business headquartered in Phoenix, Arizona. The firm hires physically handicapped and "socially disadvantaged" individuals to sell homecare products over the phone.

Examples of social disadvantage include: Ex-offenders, recovering substance abusers, educational deficiency (lack of high school diploma or GED), chronic unemployment, SSI recipients, etc. This requirement does not apply to Sales Managers, clerical or warehouse employees.

The prospective employee identifies their physical handicap or "social disadvantage" as part of the pre-employment process.

According to the owner, Adli Dasuqi, it is the firm's mission to provide employment opportunities to individuals with no other access to the job market.

After completing a period of training, the new employee is given a list of names to call. They introduce themselves, describe their personal situation, and solicit the sale of light bulbs, trash bags, etc. The sales rep explains that this job enables them to earn a living rather than become a burden on others. They further explain that their ability to continue working is contingent on selling a minimum number of items. They ask the prospective customer to help them by making a purchase. The sales reps are working from a standard script to minimize the chance of misunderstanding.

1. We do not have an employee named Larry Fry and none of our employees acknowledge using that name at work. (Employees will occasionally adopt a "work name" because they are uncomfortable associating their family name with their particular 'disadvantage' (drug abuse, etc.)

Barbara Johnson is the name used by Dewight M. [REDACTED]

[REDACTED]
Detroit, MI 48235

[REDACTED]
dob [REDACTED]/1954

Hired 6/15/2005.

He works in our Dearborn, Michigan office (13214 Michigan Ave., Dearborn, MI 48126.)

As the result of chronic COPD, Dewight has a peculiar, rasping, high pitched voice. He said that it is easier to pretend to be a woman than to try to convince people that he is a man.

He also suffers from a persistent ulceration of his right leg that requires periodic treatment at the St. John Wound Care Center in Detroit. He is also an ex-convict.

2. The benefit derived by the AHDW salespeople is the wages/commission that they are paid.

Most people hired by AHDW never sell enough to cover their wages. They stay on the payroll (at minimum wage) between two days and a month. At some point, they decide to move on or the company terminates them when it becomes apparent that additional coaching is not going to make them productive. In 2012, AHDW hired over 600 people to maintain a workforce of about 65.

In order to maintain the integrity of the operation, the owner insists that each order be independently verified...at least once. When a salesperson makes a sale, they give the information to the office manager or assistant. Within five to ten minutes, the manager will call the customer and "verify" the product, selling price, shipping information, etc. The manager will also encourage the customer to prepay. When the orders are sent to the shipping department in Arizona, a sample is taken for re-verification.

About one order in three is prepaid. The remainder are sent to the customers with an invoice and a request to remit payment within a week or two. Follow up calls and post cards begin after six weeks. About 25% of all sales are never collected.

Employing people with serious 'life challenges' is an inefficient business model. To sustain this effort, the selling price of the products are set much higher than their market value. For example, a pair of light bulbs that cost .38 each (and \$2.14 to ship) will sell for \$24.99. (This is the lowest cost item with the lowest selling price.)

For the pay date 5/17/2013 there were 64 active employees.

12 'non-selling' employees are not covered by the 'physically handicapped or socially disadvantaged' characterization. They include the owner and his wife; the four office managers; and six administrative employees in the Arizona office.

The remaining 52 employees include: Ten people who are physically handicapped, developmentally disabled or exhibit serious mental health issues; and, forty-two who are socially disadvantaged-primarily ex-offenders and recovering substance abusers.

When a customer prepays an order, the verifier who obtains the payment is paid \$1.00. The benefit/incentive for the sales person is that a prepayment improves their individual "order collection %." This is a benchmark that helps establish the commission rate for those employees that reach the commission level of productivity. For all selling employees this is an important measure in employee retention/termination decisions. This beneficial effect is often described to the customers as an 'early payment bonus.'

AHDW, Inc. is a for-profit business. It is an Arizona corporation with the federal TIN 95-4494019. The firm files a Form 1120S with the IRS each year.

Principal office: 12601 N Cave Creek Rd, #113, Phoenix, AZ 85022

Mailing address: P O Box 55750, Phoenix, AZ 85078

Phone: 480-948-3903 Fax: 480-948-0868 email contact: richard@hdwa.phxcxmail.com

Sales offices: 138 N Saginaw, Pontiac, MI 48342

13214 Michigan Ave, Dearborn, MI 48126

24719 Van Dyke Ave, Center Line, MI 48015

11801 Inglewood Ave, #8, Hawthorne, CA 90250 (joint venture with ex-employee).

3. Following are the vendors from whom we have purchased merchandise since 1/1/2012

Light bulbs: All Lighting Products, Inc
20634 N 28th St #125
Phoenix, AZ

Lighting Unlimited
15816 N Greenway-Hayden Loop
Scottsdale, AZ 85260

Trash Bags: Global Parcel
407 W Osborn Rd, #100
Phoenix, AZ 85013

Kitchen Towel Sets: American Linen
500 Hadley Road
South Plainfield, NJ 07080

Plastic food wrap,
Hand Lotion: Dollar Days International
7575 E Redfield, #201
Scottsdale, AZ 85260

Air Freshener,
Cleaning Solution,
Wind Chimes,
Micro Fiber Towels: Envirosafe Solutions
P O Box 43615
Phoenix, AZ 85080

Greeting Cards,
Xmas Cards: Majestic Greeting Cards
6600 High Ridge Rd
Boynton Beach, FL 33426

Scissors: Sona Enterprises
7825 Somerset Blvd., Unit "D"
Paramount, CA 90723

Flags: Online Stores
1000 Westinghouse Dr, #1
New Stanton, PA 15672

Flags Importers
1700 S. Milliken Ave
Ontario, CA 91761

4. An individual who makes a purchase will be called again in 20 weeks; usually by the salesperson who made the original sale. Occasionally, a salesperson will maintain a handwritten record of a good customer, outside the computer system. They may use this to "call back" sooner than 20 weeks. This is a violation of company policy.

Other than calls made to existing customers, call destinations (city, state, etc.) are random.

5. Attached are the scripts that have been distributed in the past couple of years. The prices are changed as needed before distribution. (The hand written number in the lower right corner is a cross reference to the file name.)

6. The availability of detailed sales data is constrained by the archaic computer program. The software was written between 1989 and 1994 in a 16bit format. It is rigidly structured and virtually impossible to modify.

Following is what is available:

Gross sales dollars from the State of Iowa between 01/01/2012 and 5/28/2013 total \$27941.70.

Detailed sales data becomes available 20 weeks after the sales are made. Unfortunately, it is in a text format that we cannot sort by state. On the accompanying CD, I have copied the sales from the first week of January, 2012 through the third week of January, 2013. Perhaps your IT people can pull out the Iowa detail.

7. President/CEO/Sole shareholder:

Adli Najib Dasuqi

SS#

Waterford, MI 48328

Mr. Dasuqi administers the firm through the four sale managers and the Arizona office manager.

8. American Handicapped and Disadvantaged Workers, Inc. EIN: 95-4494019

Incorporated in California, 8/1/1994; domesticated in Arizona, 1998. The firm is often referred to as AHDW.

9. The number of hours that an employee works in a given week is based on productivity. If an individual has not sold anything by the mid-day break, the manager will often send them home. The reference to 'work credits' or 'work hours' recognizes that sales made early in the day will insure a full day's work.

Food vouchers, gift cards, small sums of cash (\$1 - \$5) are given by individual office managers on an ad hoc basis.

10. The stated policy (incorporated in the verification process) is "...order is not subject to cancel or return after today." As a practical matter, it is frequently waived to comply with local laws or to maintain customer good-will.

AMERICAN HANDICAPPED & DISADVANTAGED WORKERS, INC.

12601 N. Cave Creek Rd, #113
Phoenix, AZ 85022

P.O. BOX 55750

(480) 948-3903

PHOENIX, AZ 85078

(480) 948-0868 fax

June 3, 2013

Steve St. Clair,
Assistant Attorney General,
1305 East Walnut, 2nd Floor
Des Moines, IA 50319

RE: Subpeona NO. 2329

Mr. St. Clair:

Even with the additional information, I cannot identify "Larry Fry." Only one California salesperson (male) is close to retirement age [Frank I. [REDACTED] dob [REDACTED]/53.] Also, we reviewed the birthdates of all employees working during 2013 and no one has a March 13 birthday.

"Cheryl" is Cheryl A. [REDACTED] dob [REDACTED]/63; [REDACTED] Los Angeles, CA 90017; [REDACTED] Ms. A. [REDACTED] worked in the Hawthorne, CA office from 1/14/2013 to 3/21/2013. On her application she noted that she is a recovering addict. The only personal information that I obtained from the office people was that she was un-married and had adult children.

Yours truly,

Richard Hourihan

Bookkeeper

RECEIVED
JUN 14 2013
10:50 AM
U.S. DEPT. OF JUSTICE
CIVIL RIGHTS DIVISION

ATTACHMENT VIII

To be read *VERBATIM*, Do not deviate from the script!!

T.L. "Light Bulb Presentation"

Hello Mr. / Mrs. _____!! This is _____ with the American Handicapped and Disadvantaged Workers. How are you today? GREAT!

First of all, I want to thank you for all the support you've given the handicapped and socially disadvantaged folks like me. In fact, I could tell you we love you for all your support. We REALLY do. If it wasn't for kindhearted folks like you to help us out, there would be a lot more handicapped and socially disadvantaged folks who wouldn't be able to support their families or themselves, so we really appreciate it very much.

I'm calling today to try to start our drive on a positive note, and this year we're taking orders for the light bulbs for your home. Our bulbs are guaranteed for ten full years! If they burn out or break, just throw them away, give us a call, and we'll replace them, no questions asked, for the next ten full years!

Of course, the most popular bulbs we carry are the 25 through 100 watt, but we also carry 70 different kinds of lights, so if you use three way bulbs, chandeliers, or bug lights, we carry those too! The bulbs are only \$7.99 each, but we're running a special. When you take a package of only **12 light bulbs you will receive 3 as a bonus!**

What wattages do you normally use around your home?

That's just \$112.95, Not a PENNY more! Most importantly, Mr./ Mrs./ Ms. _____ we use the honor system here at A.H.D.W. In other words, we send them to you first and you just return the check or money order a few days later. Absolutely no credit cards or C.O.D.

Basically, this is how we handicapped and socially disadvantaged folks are actually working for a living instead of relying on handouts, charity or your tax dollars.

Now what's your address again? And your zip code?

4-Point Close

- 1) Your final price is \$ _____
- 2) You will receive your order within 2 weeks.
- 3) All we ask is that you pay for your order a couple of days after receiving it.
- 4) Is That O.K.?

Don't forget! – My supervisor will call you back in a minute to verify this order and will also let you know how I can get an early collection bonus!

To be read *VERBATIM*, Do not deviate from the script!!

To be read *VERBATIM*, Do not deviate from the script!!

T.L. "Trash Bag Presentation"

Hello Mr. / Mrs. _____!! This is _____ with the American Handicapped and Disadvantaged Workers. How are you today? GREAT!

First of all, I want to thank you for all the support you've given the handicapped and socially disadvantaged folks like me. In fact, I could tell you we love you for all your support. We REALLY do. If it wasn't for kind hearted folks like you to help us out, there would be a lot more handicapped and socially disadvantaged folks who wouldn't be able to support their families or themselves, so we really appreciate it very much. I'm calling today to try to start our drive on a positive note, and this year we're taking orders for the trash bags. The bags are terrific, they're made of a high density plastic like the hospitals use, so they're stronger and more durable. We have them in two (2) sizes, the fifteen (15) gallon tall kitchen liner and the thirty three (33) gallon lawn bags.

What size bags do you normally use in your home?

Great! Our most popular package is our 6-month supply. That would be 4 bags a week for the kitchen or 3 bags a week for the bigger ones... and that's a lot of BAGS! The total is ONLY **\$89.95** and that includes all the shipping and handling, not a penny more!!

And remember we use the honor system. In other words, no credit cards or C.O.D.'s. We send them to you first and you just pay within the first couple of days after receiving them.

I'd love to mail those bags out to you with the love and blessings of the handicapped and socially disadvantaged. Are you still at (*read their address*)? Great!!

4-Point Close

- 1) Your final price is \$ _____
- 2) You will receive your order within 2 weeks.
- 3) All we ask is that you pay for your order a couple of days after receiving it.
- 4) Is That O.K.?

Don't forget! – My supervisor will call you back in a minute to verify this order and will also let you know how I can get an early collection bonus!

To be read *VERBATIM*, Do not deviate from the script!!

REBUTTALS

"I DON'T NEED ANYTHING"

I'M NOT ASKING YOU TO DO IT BECAUSE YOU NEED SOMETHING, I'M ASKING YOU TO DO IT BECAUSE I NEED THE HELP. KEEP IN MIND, NON OF OUR PRODUCTS WILL GO BAD ON THE SHELF, THE WORST THING THAT CAN HAPPEN IS WHEN YOU RUN OUT OF WHAT YOU ALREADY HAVE, YOU'LL HAVE A LITTLE BET LEFT OVER.

"IM ON A FIXED INCOME"

I WISH SOMEONE WOULD FIX MY INCOME (JOKINGLY), I UNDERSTAND MR/ MRS. _____, BUT IF YOU COULD PLEASE FIND ROOM IN YOUR HEART FOR JUST THE SMALLEST ORDER OF ANYTHING, IT WOULD REALLY HELP ME OUT.

"I DON'T WANT TO HELP AT THIS TIME"

I PROMISE YOU THAT I WOULD ONLY CALL YOU ONCE A YEAR, I KEPT MY PROMISE, AND I STUCK WITH MY WORD, PLEASE DON'T TELL ME THAT YOU DON'T WANT TO HELP ME.

"I DON'T HAVE ANY MONEY RIGHT NOW"

I'M NOT ASKING FOR YOUR MONEY RIGHT NOW! ALL I'M ASKING FOR IS YOUR SUPPORT. MR/MRS _____, YOUR ON THE HONOR SYSTEM, IN OTHER WORDS, WE SEND THE PRODUCT OUT TO YOU FIRST, AND YOU PAY FOR IT A FEW DAYS AFTER YOU RECEIVED YOUR PRODUCT. YOU HAVE PRESTIGE WITH US, YOUR WORD IS AS GOOD AS GOLD, SO BY JUST PLACING THE ORDER, IT WILL ALLOW ME TO WORK FOR A FEW EXTRA HOURS.

"I JUST PLACED AN ORDER WITH SOMEONE ELSE", "OR SOMEONE ELSE JUST CALLED ME"

EXACTLY, THAT SOMEONE ELSE CALLED YOU, NOT ME, I DON'T KNOW IF YOU REALIZE, BUT WHEN YOU HELP OUT, YOU'RE ONLY HELPING THE PERSON THAT IS CALLING YOU. I PROMISED YOU THAT WOULD ONLY CALL YOU ONCE A YEAR, AND I'VE KEPT MY PROMISE, SO COULD YOU JUST DO THE SMALLEST THING THAT WOULD BE A BLESSING FOR MY FAMILY AND I.

"SEND ME A BROCHURE"

MR/MRS _____, I AM YOUR WALKING, TALKING BROCHURE, THAT'S HOW I GET PAID. WE DID SEND OUT BROCHURES IN THE MAIL BEFORE, BUT A LOT OF PEOPLE THOUGHT IT WAS JUNK MAIL, AND IMMEDIATELY THREW THEM AWAY, AND WE GOT A TREMENDOUS AMOUNT OF SUPPORT THAT WAY. MR/MRS _____, YOU HAVE TO UNDERSTAND, THIS COMPANY IS NOT IN THE BUSINESS TO SELL THESE HOUSEHOLD PRODUCTS, THERE IN THE BUSINESS TO KEEP HANDICAPPED AND DISADVANTAGED INDIVIDUALS LIKE MYSELF EMPLOYED, AND FOR US TO SUSTAIN EMPLOYMENT, WE PLACE ORDERS FOR THESE PRODUCTS. THIS WAY I WOULD BECOME A TAX PAYER, INSTEAD OF A TAX BURDEN.

"I'M UNEMPLOYED AT THE MOMENT"

AT LEAST YOU DON'T HAVE TO WORRY ABOUT BEING HANDICAPPED OR DISADVANTAGED WHEN YOU'RE LOOKING FOR WORK, THERE ISN'T A LOT OF COMPANIES OUT THERE THAT DO EMPLOY INDIVIDUALS THAT HAVE A HANDICAP LIKE MYSELF, OH MR/MRS _____, A PERSON WITH YOUR PERSONALITY AND ATTITUDE, YOU WILL BE ABLE TO FIND EMPLOYMENT IN NO TIME. (MENTION THE HONOR SYSTEM)

"I ONLY HELP LOCALLY"

MR/MRS _____, IF I WAS SINKING IN QUICK SAND, AND I HAD MY HAND OUT TO YOU FOR HELP, WOULD YOU WALK PAST ME SAYING THAT YOU ONLY HELP LOCALLY, OR WOULD YOU REACH OUT AND HELP ME? PLEASE MAKE LITTLE ROOM IN YOUR HEART AND ON THE SHELF IT WOULD REALLY BE A BLESSING.

"I DON'T ORDER OVER THE PHONE" OR "I DON'T ACCEPT SOLICITING CALLS"

WE ONLY CALL BACK PAST SUPPORTERS, YOU'RE THE ONE WHO HELPED ME TO KEEP MY JOB BY PLACING THE ORDER, AND I JUST WANTED TO CALL YOU, AND THANK YOU FOR THE ...(GO ON WITH THE PITCH)

Bridge Statements

Bridge statements are important tools for you take your customers from product to product as well as taking them from product to your story. If you are pitching a certain product and you've received a couple of objections about the price or the product, you can bridge them into another product. Simply tell them; "some people don't need light bulbs right when we call so we have other products to keep us working". You can also take them from the products back to talking about your story if they tell you they're not interested or that they don't need anything by saying, "I know you might not need anything right now, but I need you". You could also say, "You might not be interested in that product, but I know you're interested in me working, so let's go to a different product". Then pitch something else.

*Remember, just because they may not be interested in one product and you've taken them down to \$29.95, that doesn't mean they won't pay \$99.95 for a different product.

***When switching products always start back at the top, if you think they might be able to afford something more than \$29.95, just tell them that you have to start at the top anyway because you're just doing your job. You never know who has it and who doesn't, so start at the top for everyone when switching products.*

Try it, you're surprise yourself how many people you thought couldn't do \$99.95 because they said no to light bulbs but then they buy a year supply of trash bags for \$199.95. Don't leave anything on the table!

Greeting Cards

Mrs./Mr. _____, we realize not everyone needs trash bags or light bulbs right when we call. In order for us to continue to work we have to introduce new products from time to time. Our newest product is an assortment of greetings cards. The cards are terrific. They come in twenty cards per box. You get birthday, friendship, thank you, blank, and anniversary cards. This way you'll always have the card you need for whatever occasion. The best part is, it keeps me working this year! You can get five boxes, four boxes, or our small three box set. Which is best for you this year? Great! Your address is still (READ ADDRESS)? My supervisor will call you back to make sure I have written down everything correctly, ok? Thank you

Greeting Cards—code 55

4 Units each box

6 + 2 boxes.....	\$199.60
3 + 1 boxes.....	\$99.80
2 boxes.....	\$69.95
1 box.....	\$39.95

A.H.D.W Verification Script

May I speak to Mr. /Mrs. _____ . Hello Mr. /Mrs. _____. I'm (your

name), the supervisor for American Handicapped and Disadvantaged Workers. For quality and training purposes, this call may be recorded. I'm just calling to thank you and verify the order you placed with (solicitor's name), OK?

I have you down for (identify items) at the price of \$ _____. Is this the price (solicitor's Name) quoted you? Could you please repeat your address? Do you usually pay by check or credit card? When you take care of this today (solicitor's name) gets an early collection bonus. Would you like to do that today?

IF NO- no problem, we only have that as an option.

Your product will arrive in seven to ten business days. Your invoice and courtesy envelope will be in the box. When you receive your package, open it up and send your payment back within a couple days after receiving, is that OK? You do understand that your order is not subject to cancel or return after today; simply because we pay (solicitor's name) in advance based on your good word, is that ok? Thank you and have a great day!

IF BULBS

If the product should arrive damaged, please do not return it - it costs too much in shipping. Simply drop us a note, along with your payment, and we'll replace them free of charge for the next 10 years. Thank-you very much.

REBUTTALS

(THEY'RE TOO EXPENSIVE-LIGHT BULBS)

MR./MRS. _____ THE BULBS ARE ONLY \$7.89 EACH, AND THAT'S WITH THE 10 YEAR GUARANTEE. I KNOW THAT SOUNDS LIKE A LOT, BUT WHEN YOU GO TO THE SUPERMARKET AND BUY A NAME BRAND BULB, THEY COST ABOUT A DOLLAR EACH, AND IF YOU USE THEM A LOT, THEY BLOW OUT 2 TO 3 TIMES A YEAR. SO OVER THE 10-YEAR PERIOD, OUR BULBS WOULD SAVE YOU A LOT OF MONEY, AS WELL AS HELP THE WORKERS HAVE JOBS. SO, CAN I PUT YOU DOWN FOR JUST A LITTLE ORDER TO HELP THIS YEAR?

(I CAN'T AFFORD IT)

WE SURELY UNDERSTAND THAT MR./MRS. _____ AND WE'RE NOT IN THE BUSINESS OF PUTTING A STRAIN ON ANYBODY, AND WE'RE NOT ASKING FOR MONEY TODAY IF YOU COULD JUST MAKE A SMALL ORDER WE WOULD SEND IT TO YOU IN 10 DAYS AND NOT ASK ANYTHING BACK UNTIL 10 DAYS LATER. SO, YOU WILL HAVE A LITTLE TIME TO PREPARE FOR IT. CAN I RUN OVER MY SMALL ORDERS SO WE CAN HAVE OUR JOBS THIS YEAR?

(I DON'T ORDER OVER THE PHONE)

I UNDERSTAND THAT MR./MRS. _____ THERE ARE A LOT OF BAD COMPANIES OUT THERE, BUT HERE WE WORK ON THE HONOR SYSTEM. WHAT THAT MEANS IS WE SEND OUR ORDERS OUT IN 7 DAYS, AND NOT ASK ANYTHING BACK UNTIL 10 DAYS LATER. SO YOU SEE WHAT YOU ARE GETTING AND WHERE YOUR MONEY GOES FIRST. SO, CAN I RUN OVER MY LIST OF ITEMS SO YOU CAN HELP THE WORKERS OUT?

(I WOULD NOT BE INTERESTED)

MR./MRS. _____ I HARDLY EVER TALK TO ANYONE WHO IS INTERESTED WHEN I CALL, BUT THE POINT OF US DOING THIS IS TO HELP THE HANDICAPPED WORK AND HAVE JOBS. SO, CAN I HAVE A MINUTE OF YOUR TIME TO TELL YOU WHAT WE'RE DOING? BESIDES, IT DON'T COST NOTHING TO LISTEN.

(I CAN BUY IT CHEAPER)

MR./MRS. _____ YOU CAN GO TO THE STORE AND BUY SOME OF THE PRODUCTS CHEAPER, BUT IT'S REALLY NOT THE PRODUCT IT'S FOR THE WORKERS TO HAVE JOBS, AND BE TAX PAYERS INSTEAD OF TAX BURDENS. SO, CAN I RUN THROUGH THE LIST OF PRODUCTS, AND MAYBE YOU CAN PUT SOMETHING TO USE TO HELP THIS YEAR.

To be read *VERBATIM*, Do not deviate from the script!!

“Training Presentation”

Hello there! This is _____ with the American Handicapped and Disadvantaged Workers. How are you today? Well GREAT!

First of all Mr./Mrs./Ms. _____, we are not a charity and we're not looking for donations. We work to sustain employment for handicapped and socially disadvantaged folks like myself. The way we do so is by taking orders for trash bags. The bags are great! They're made of a high-density plastic like hospitals use; so they are strong and durable. We have them in two sizes; a 15-Gallon tall kitchen liner, and a 33-Gallon lawn and garden bag.

What size bag do you normally use around your home?

Great! Our most popular package is our 6-month supply. That would be 4 bags a week for the kitchen or 3 bags a week for the bigger ones... and that's a lot of BAGS! The total is ONLY **\$154.95** and that includes all the shipping and handling, not a penny more!!

Most importantly, Mr./ Mrs./ Ms. _____ we use the honor system here at A.H.D.W. In other words, we send them to you first and you just return the check or money order a few days later. Absolutely no credit cards or C.O.D.

I'd love to mail those bags out to you with the love and blessings of the handicapped and socially disadvantaged. Are you still at (*read their address*)? Great!!

4-Point Close

1. Your final price is \$ _____
2. You will receive your order within 2 weeks.
3. All we ask is that you pay for your order a couple of days after receiving it.
4. Is that O.K.?

Don't forget!

My supervisor will call you back in a minute to verify this order and will also let you know how I can get an early collection bonus!

To be read *VERBATIM*, Do not deviate from the script!!

To be read *VERBATIM*, Do not deviate from the script!!

“Training Presentation”

Hello there! Mr./Mrs. _____? Mr./Mrs. _____, this is (full name).

I'm a disadvantaged person with the American Handicapped. Once a year, we call you, but we're not calling for charity or donations. Instead, what we are doing is taking orders for light bulbs for your home! Now, all of our light bulbs are guaranteed in writing for ten full years, and if one of them should burn out, all you have to do is simply throw the bad bulb away... give us a call, and we will send you a replacement bulb... **NO QUESTIONS ASKED!!**

Of course Mr./Mrs. _____, the most popular bulbs are those you use in your home. We have those bulbs ranging from 40 through 100 watts. We are offering a special today, when you take a package of only 8 light bulbs, you will receive 4 as a bonus for only \$99.95 including shipping and handling!

What wattages do you normally use around your home?

Most importantly, Mr./Mrs./Ms. _____ we use the honor system here at A.H.D.W. In other words, we send them to you first and you just return the check or money order a few days later. Absolutely no credit cards or C.O.D.

Basically, this is how we handicapped and disadvantaged folks are actually working for a living instead of relying on handouts, charity or your tax dollars.

Now what's your address again? And what is your zip code?

4-Point Close

- 1) Your final price is \$ _____
- 2) You will receive your order within 2 weeks.
- 3) All we ask is that you pay for your order a couple of days after receiving it.
- 4) Is That O.K.?

Don't forget!

My supervisor will call you back in a minute to verify this order and will also let you know how I can get an early payment bonus!

To be read *VERBATIM*, Do not deviate from the script!!

READ THIS TEXT VERBATEM

Hi Mr. / Mrs. _____ how are you? Great! This is _____ I want to thank you
(TSR 1st name only)
for allowing me to explain why I am calling because it is very important to our situation. I am with
American Handicapped and Disadvantaged Workers. We are not a charity and we are not looking
for donations. My job here is to learn work skills so I can become a long term employee; not an
unemployed tax burden. Heaven knows that we want to do the right thing.

You see Mr. / Mrs. _____, I tried many different places to get a job I could be proud
of. Unfortunately, because of my situation, it never worked out. When I came into this place, I was
able to get a job in 10 minutes and I even started the same day. I was so excited I couldn't wait to
call people like yourself and thank you for making it possible.

The way we do so is by taking orders for our household products, and the great thing about
this that we are not asking for a penny over the phone today. All what I am asking for is simply
your support.

We do everything on the honor system, in other words, we send it out first and you return
the payment within 2 weeks from today. And just based on your word that you will return the
payment later they will go ahead and give me my work hours in advance.

Today we have a "special on our 10 Year Guarantee light bulbs. Its only \$99.95 including
shipping and handling for a package of 10 individual bulbs in your choice of size.

Now keep in mind (First Name) that you're not just paying for the product, but you are
ALSO helping me and others like me to stay on the job. Can I count on your support?

Do you still live at?

My supervisor will be calling you in a couple minutes to make sure I didn't promise to send
to Hawaii for \$ _____. And to let you know how I can received a bonus. Please be sure to
answer the phone, that's the only way I will get credit for this order. I really love you and thank
you for helping me Mr. / Mrs. _____. Have a great day.

NEW FORMAT FOR REVERIFICATION....

Hi, this is _____, supervisor in the shipping department for American Handicapped and Disadvantaged Workers.

I am ready to ship your order.

Our printer jammed and I can't read your address.

To make sure that I send it to the correct address, could you please help me out and tell me where it should be sent?

Let customer give address.

We've got you down for (product), in the amount of (\$0.00).

(Remember, when we are referring to trash bags, we say 3, 6, 9, 12 month supply. Etc)

Thank customer for all of their help.

Paid Account Presentation

Hello Mr. /Mrs. _____ how are you today? That's great to hear! This is _____, your handicapped / disadvantaged friend here at American Handicapped. You didn't forget us, did you? I didn't call to pick on you! I just want to take the time personally to thank you so much for ordering that from us Mr. /Mrs. _____. Not only did you buy a quality product at a money saving price, but you made it possible for me to be a self supporting tax payer and not a tax burden! Isn't that great? Call me crazy, but I think that I'm the only person in the country that enjoys paying taxes. I'm weird, right? Really Mr. /Mrs. _____, Thanks a lot for the opportunity.

Right now our goal as a company is to expand our 10 national offices to 12. This will give an additional 15 people per office the same opportunity that I have, to sell great products like the ____ (**last order**) ____ to great people like yourself. I'm going to go over what we have old and new and I want you to pick an item similar to what you are buying at the store and get it from us instead, OK? GREAT!

Go to product questions! Example: Do you use _____?